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Senate Bill No. 442

(By Senators Hall, Browning and Plymale)

[Introduced February 7, 2011; referred to the Committee on
Government Organization; and then to the Committee on Finance.]

A BILL to amend and reenact §16-13A-7 of the Code of West Virginia,
1931, as amended, relating to increasing the expenditure limit
from \$15,000 to \$25,000 on public service district
construction and purchase contracts before competitive bids
are required.

Be it enacted by the Legislature of West Virginia:

That §16-13A-7 of the Code of West Virginia, 1931, as amended,
be amended and reenacted to read as follows:

ARTICLE 13A. PUBLIC SERVICE DISTRICTS.

§16-13A-7. Acquisition and operation of district properties.

The board of ~~such~~ these districts shall have the supervision
and control of all public service properties acquired or
constructed by the district, and shall have the power, and it shall
be its duty, to maintain, operate, extend and improve the same,
including, but not limited to, those activities necessary to comply

1 with all federal and state requirements, including water quality
2 improvement activities. All contracts involving the expenditure by
3 the district of more than ~~fifteen thousand dollars~~ \$25,000 for
4 construction work or for the purchase of equipment and
5 improvements, extensions or replacements, shall be entered into
6 only after notice inviting bids shall have been published as a
7 Class I legal advertisement in compliance with the provision of
8 article three, chapter fifty-nine of this code, and the publication
9 area for such publication shall be as specified in section two of
10 this article in the county or counties in which the district is
11 located. The publication shall not be less than ten days prior to
12 the making of any such contract. To the extent allowed by law, in-
13 state contractors shall be given first priority in awarding public
14 service district contracts. It shall be the duty of the board to
15 ensure that local in-state labor shall be utilized to the greatest
16 extent possible when hiring laborers for public service district
17 construction or maintenance repair jobs. It shall further be the
18 duty of the board to encourage contractors to use American made
19 products in their construction to the extent possible. Any
20 obligations incurred of any kind or character shall not in any
21 event constitute or be deemed an indebtedness within the meaning of
22 any of the provisions or limitations of the Constitution, but all
23 such obligations shall be payable solely and only out of revenues
24 derived from the operation of the public service properties of the
25 district or from proceeds of bonds issued as hereinafter provided.

1 No continuing contract for the purchase of materials or supplies or
2 for furnishing the district with electrical energy or power shall
3 be entered into for a longer period than fifteen years.

NOTE: The purpose of this bill is to increase the expenditure limit from \$15,000 to \$25,000 on public service district construction and purchase contracts before competitive bids are required.

Strike-throughs indicate language that would be stricken from the present law, and underscoring indicates new language that would be added.